

Annual Report FY 03-04

Primary Healthcare Implementation Advisory Board

April 12, 2005

**Primary Healthcare Implementation Advisory Board
Annual Report Fiscal Year 2003-2004**

Executive Summary

Resolution 02-05, adopted by the Board of County Commissioners on January 29, 2002 requires the Primary Healthcare Implementation Advisory Board to report annually on the effectiveness of the Primary Healthcare Program and to report its findings and recommendations for programmatic improvements. The Executive Summary presents: (1) the highlights of the program for FY 03-04; and (2) Areas for Concern; and (3) the Advisory Board's recommendations for programmatic improvements.

The Leon County Primary Healthcare Program, in its third year, continues to show outstanding results. Simultaneously, however, the Program is also beginning to show a number of opportunities for improvement.

Program Highlights for FY 03-04

1. The Primary Healthcare Program continues to be a sound investment, returning \$7.22 in Community Benefits for each \$1 of county tax dollars expended. The value of volunteered services and in-kind contributions continues well in excess of \$2,000,000.
2. For FY 03-04, Bond Community Health Center, Neighborhood Health Services, and the WeCare Network of the Capital Medical Society treated 7,188 Leon County citizens, 59.7% more than the designed capacity (4,500 citizens) of the program.
3. For FY 03-04, Per Member per Year cost dropped 34% to \$146.55 Per Member per Year over the FY 02-03 cost of \$220.23. As a point of comparison, the Healthy Kids program is reported to average \$780 per child per year.
4. For FY 03-04, the Primary Healthcare Program, in cooperation with the FAMU School of Pharmacy, filled 53,345 prescriptions with a value of \$2,278,898.40.
5. Avoided hospital inpatient admissions total 359 for the FY 03-04, resulting in cost avoidance of \$2,166,394.44.

Areas for Concerns

1. Total Uncompensated Care provided by Leon County Hospitals during FY 03-04 was \$80,202,136, an increase of \$12,894,416 over FY 02-03. The cost of uncompensated care is cost-shifted to the insured population of Leon County.
2. Emergency Room Visits by Leon County citizens for non-emergency services

(Non-emergent care) totaled 14,420, an increase of 22% over FY 02-03. Non-emergent hospital emergency room visits increase the cost to all Leon County Citizens.

3. The Agency for Health Care Administration's 2004 update of its 1999 Health Insurance Study indicated that the number of uninsured citizens under age sixty five (65) in Leon County has increased by more than 41.5% to 34,390.
4. Availability of specialty care is limited by the number of various volunteer specialists who donate their services. Currently, the WeCare Network of the Capital Medical Society indicates that it is at capacity in the following medical specialties: Gynecology, Neurology, Obstetrics, Endocrinology, and Gastroenterology.

Recommendations

The Primary Healthcare Implementation Advisory Board recommends:

1. Currently, the Leon County Health Department (LCHD) provides an estimated annual \$375,000 for primary healthcare services for the uninsured and indigent. It is recommended that the LCHD program be combined with the Leon County Primary Healthcare Program and that participating providers be compensated on a per visit basis. These actions are designed to ease an administrative burden to the Clinics by eliminating a set of monthly invoices and to encourage increased patient volume.
2. The CareNet information system, with its requirement of double manual entry of patient demographic and medical information, has experienced erratic and inconsistent utilization and efforts to automate the data entry function have ceased due to the expiration of federal funding.

A local private company, currently successfully transmitting volumes of digitalized patient data between hospital and physician offices, has offered to perform these services for the Primary Healthcare Program as a public service, subsequent to the achievement of "link-up".

The Advisory Board recommends that the Board of County Commissioners direct staff to conduct an evaluation of link-up requirements and cost.

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The Leon County Primary Healthcare Program

Background

On January 29, 2002, the BOCC adopted Resolution 02-05 requiring the Primary Healthcare Implementation Advisory Board to report annually on the effectiveness of the Primary Healthcare Program for the uninsured and to report its findings and recommendations for programmatic improvements.

The Primary Healthcare Services Delivery System

The Healthcare Delivery Model: CareNet

CareNet, is a public and private sector partnership of a voluntary coalition of healthcare providers designed for the purpose of providing cost effective primary and specialty healthcare services to low-income and uninsured citizens of Leon County.

CareNet Goals and Objectives

- To leverage County, State, Federal and private funds to the highest extent possible
- To the establishment of recurring primary care relationships by the reduction of non-emergent hospital emergency room visits by Leon County residents
- To provide access to primary and specialty healthcare services in the most cost effective and efficient manner
- To maintain high regard and respect for individual dignity

CareNet is comprised of Bond Community Health Center, Inc., Neighborhood Health Services, Inc., the We Care Network of the Capital Medical Foundation, the Leon County Health Department, Tallahassee Memorial Health Care, Capital Regional Medical Center, Florida State University School of Medicine, Florida A and M University College of Pharmacy and Pharmaceutical Sciences and Tallahassee Community College. Through Leon County and the Leon County Health Department, CareNet received Health Resources and Services Administration (HRSA) Community Access Program (CAP) grants for information systems, marketing services, and other purposes.

Primary Care

Bond Community Health Care Center, Inc. and Neighborhood Health Services, Inc. provide primary care. Both Clinics provide a wide range of primary healthcare services for children and adults. The Clinics accept patients by appointment or walk-in and upon referral from hospital

emergency departments. Bond Community Health Center and Neighborhood Health Services provide social workers and case managers for patient follow-up. Both Clinics offer extended-hours of operation for medical service delivery and are well situated to public transportation. Relative ease of access is provided with Bond Community Health Center at two locations: 710 W. Orange Avenue and 872 West Orange Avenue and Neighborhood Health Services at 438 West Brevard Street.

Clinic facilities offer on-site laboratory services and on-site care and case management for patients with diabetes and hypertension.

Neighborhood Health Services and Bond Community Health Center conduct community health screenings for early detection of chronic conditions of asthma, diabetes, and hypertension. Some seventy-four (74) patients have received chronic disease self-management instructions during this fiscal year.

Specialty Physician Care

Significant to the CareNet model of healthcare service delivery is the continuum of care and added value of the We Care Network of the Capital Medical Society Foundation. We Care Network relies upon the availability of physician volunteers. Availability of specialty care is limited by the capacity of various volunteer specialists who donate their services. Currently, the Network reports it is at capacity in the following medical specialties: Gynecology, Neurology, Endocrinology, and Gastroenterology.

Inpatient Hospital Care

Capital Regional Medical Center and Tallahassee Memorial Healthcare provide inpatient care for referrals from the We Care Network. Historically, the inpatient hospital services have been provided without charge.

Hospital Uncompensated Medical Care

According to the local area hospitals, for FY 03-04, Tallahassee Memorial Hospital experienced a total of \$52,890,089 in the provisions of health care services for which they were not compensated. Capital Regional Medical Center experienced \$27,312,047 in uncompensated care for the same period. The total uncompensated care for Leon County for FY 03-04 is \$80,202,136. The cost of uncompensated care drives up the cost of health care for the entire insured community.

Hospital Emergency Departments

The Emergency Medicine department of Capital Regional Medical Center and Tallahassee Memorial Healthcare continue to experience a high number of patient visits. An October 1, 2003 through September 30, 2004 examination of emergency room data for Leon County's hospitals

reveals that 14,420 emergency room patients per year are presenting for non-emergency care. This figure represents an increase of 22% over FY 02-03. Non-emergent hospital emergency department visits increase hospitals expenses for all citizens.

As CareNet partners, hospital emergency departments have instituted a mechanism for the referral of patients presenting for non-emergent emergency department services to the CareNet Clinics.

Prescription Services

The Florida A&M University College of Pharmacy and Pharmaceutical Sciences provides prescription drug services at Bond Community Health Center. Pharmacy services are supported by FAMU. Prescription Drug cost is substantially reduced by the participation of the FAMU pharmacy in the federal prescription drug purchasing program. The pharmacy programs also provide the opportunity to take advantage of the drug manufacturers special low-income and uninsured programs. The FAMU pharmacies also provide educational services on appropriate drug usage and disease management counseling.

Health Clinic Funding Methodology

Primary Care

Primary Healthcare Program funding to the Clinics is in the form of reimbursement for expenditures for medical personnel. Staffing additions are based upon the staffing needs of the individual clinics. Both clinics added a medical practitioner, a nurse, part time pharmacist, part time pharmacy assistants, and from one to two medical support personnel as needed. Bond Community Health Center was allocated \$10,383 per month and Neighborhood Health Services was allocated \$6,700 per month for medications. Each clinic was additionally allocated \$8,865 monthly for diagnostic services, and \$250 for laboratory services. Within the FY 03-04 contract, Bond Community Health Center opted to utilize the \$143,000 allocation for a Medical Practitioner and funds for laboratory services. Primary Healthcare Program Expenditures, by clinic, for FY 03-04 were as follows:

Bond Community Health Center, Inc.

| Staffing | FY 03-04 |
|---|-----------------|
| Registered Nurse/Licensed Practical Nurse | \$50,000 |
| One Full Time and One Part Time Support | \$30,000 |
| Part time Pharmacy Clerical | \$15,000 |
| Medical Services | |

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| Medications | \$124,600 |
| Diagnostic Services | \$106,380 |
| Laboratory Services | \$143,000 |
| Total | \$468,980 |

Neighborhood Health Services, Inc.

| Staffing | FY 03-04 |
|---|------------------|
| Medical Practitioner | \$140,000 |
| Registered Nurse/Licensed Practical Nurse | \$50,000 |
| Registered Pharmacist (Part time) | \$70,000 |
| One Full Time and One Part Time Support | \$30,000 |
| Pharmacy Clerical (Part time) | \$15,000 |
| Medical Services | |
| Medications | \$80,400 |
| Diagnostic Services | \$106,000 |
| Laboratory Services | \$3,000 |
| Total | \$494,780 |
| Funding amounts differ due to differences in Staff composition. | |

Specialty Care

We Care Network

| Staffing | FY 03-04 |
|---------------------------------|-----------------|
| Project Coordinator (Part time) | \$23,840 |
| Case Manager | \$29,484 |
| Case Management Aide | \$21,060 |
| Operating Expenses | \$9,232 |
| Capital Expense | \$6,427 |
| Total | \$90,043 |

Primary Healthcare Program Administrative Expense

| Administrative Expense | Amount |
|-------------------------------|-----------------|
| Personal Services | \$45,198 |
| Travel | \$0 |
| Machinery and Equipment | \$1,926 |
| Total | \$47,124 |

Leon County Health Department (LCHD) and Leon County Primary Healthcare Program (LCPHP)

The Leon County Primary Healthcare Program is implemented to meet the unanswered healthcare needs of qualified Leon County citizens exclusively. Both CareNet clinic facilities participate additionally in the state and federal programs. With the Leon County primary healthcare program established to supplement the federal and state existing programs, a need to identify patients as Leon County Health Department (LCHD) and/or Leon County Primary Healthcare Program (LCHCP) was created. A means of identifying patients as LCHD or LCHCP was developed by creating a database of each participant in the state and federal programs. CareNet facilities have the capability of identifying LCHD patients. Mandatory

monthly reporting is required of Clinic facilities and, contains the following: a) a comprehensive list of all clients registered for the period with a unique patient identifier and program start date; b) number of total patients seen for the period and total number of patient encounters; c) number of LCHD and LCPHP patients seen and number of patient encounters; and d) total amount of sliding scale fee revenues collected with the number of patients charged. The data base of existing patients has been created and is providing Clinics with the capability to determine if the patient is a LCHD and/or LCPHP. Further, the monthly reports are verified and audited for accuracy under agreement with the Leon County Health Department. Clinic's monthly reports are verified by Primary Healthcare Program staff. CareNet information system development activities have been funded by the federal Health Resources and Services Administration (HRSA).

Program Accountability

To ensure success of the program and provide a necessary level of accountability the following elements are included in each of the contracts with the CareNet partners. These provisions include:

- 1) No funds for staffing will be provided until such time as the staff member has been hired and present on duty station.
- 2) All invoicing and reporting must be completed prior to the disbursement of funds.
- 3) LCHD and LCPHP patient reports, total patients served, encounters and sliding fee revenue must be reported.
- 4) Termination clause if funds not appropriately expended.
- 5) Restriction of county funding to verified Leon County residents only.

CareNet Information System

The CareNet Information System is available to all CareNet partners via federally compliant, secure Internet lines. The CareNet System has established a central server that is capable of accepting manually entered patient referrals from hospitals and manually entered uploads from health care centers. All partners have ready access to the system via the internet.

The system provides for referral reports, show-no show reports, patient follow-up reports, error reports and offers the capability to download into commercially available spreadsheets for custom report production.

However, due to the CareNet system's requirement that patient data be manually entered twice: once, in the Clinic/Hospital's system and second, in the CareNet system, utilization of the system has proven erratic and inconsistent.

Automation of Data Entry

CareNet's efforts to create a user-friendly information system by eliminating the necessity of the "double entry" of patient data has met with mixed success. Modifications to the CareNet System software have permitted the exchange of patient demographic and medical information

by the WeCare Network and Neighborhood Health Services through secure internet transmissions. Capital Regional Medical Center is evaluating the CareNet System and has provided participating clinic providers access to their patient's medical information through the hospital information system. However, test runs at Tallahassee Memorial Hospital has indicated an unexpected problem at the CareNet System level that requires additional software modifications. Bond Community Health Center has expressed concerns on whether or not the CareNet System is compliant with federal confidentiality requirements.

Efforts to automatically update the CareNet System from the Clinic/Hospital registration process have been suspended as the CAP grant funding has expired. Other grant funding opportunities are being pursued. Currently, referrals (patient and Medical data) are being accomplished via secure facsimile transmission.

2003 Community Awareness and Public Education Program

The Community Awareness and Public Education Program continues to build upon the prior years activities. This program has proven effective in educating and informing the citizens of Leon County regarding the uninsured issue, and in educating and informing the uninsured population of their healthcare options with the CareNet program.

The program promoted CareNet at a grassroots level, attempting to reach all citizens. The activities involved in the campaign included:

- Promotion through community events i.e., basketball tournaments, participation in local fairs and events, health screenings at malls, open house events, etc.
- Paid advertising in billboards, taxi cabs, and radio.
- Providing speakers to civic clubs, TV and Radio talk shows.
- Production and distribution of posters, brochures, video, flyers, miscellaneous promotional items.

The CAP grant that supported these services has ended; therefore, the Education and Public Awareness program has been discontinued.

Hospital Emergency Department Use

The Primary Healthcare Implementation Advisory Board initiated a detailed study of the patterns of hospital emergency department utilization by uninsured Leon County citizens. Hospital Emergency Room Visits for non-emergent visits for both Tallahassee Memorial Hospital (TMH) and Capital Regional Medical Center (CRMC) have increased dramatically during FY 03-04 as compared to FY 02-03. TMH non-emergent Hospital Emergency Room visits have increased 21% from Leon County residents and CRMC has increased 24% from Leon County Residents. Both hospital have experienced significant increases in hospital Emergency room visits from Neighboring Counties and from South Georgia.

Current Clinic Funding

The total current funding to provide primary healthcare to the uninsured residents of Leon County is \$1.2 million. Initially, the Leon County Board of County Commissioners approved a Municipal Service Taxing Unit (MSTU) of .5 (1/2 cent) maximum millage. In the program's first year, the MSTU's millage rate was .06 cents. This millage rate generated \$458,000 and \$567,000 from the general funds revenue of Leon County, plus \$175,000 in federal Medicaid match monies totaled \$1.2 Million for the program. In FY 02-03 the Board of County Commissioners approved the full funding of the Primary Healthcare Program through a .12 MSTU millage rate. Additional funding was secured through federal match dollars in the amount of \$175,000 to bring the program's total funding to \$1.2 million.

In September 2004, Leon County Board of County Commissioners approved a .22 MSTU for FY 04-05. The .22 MSTU is to continue providing health care services through the Primary Healthcare Program and for the possible funding of women medical services. An evaluation of the need for women's health services study is currently underway by MGT of America, Inc. The final report is anticipated in April 2005.

Access to Healthcare Workgroup

The Access to Healthcare Workgroup is a sub-committee of the Primary Healthcare Advisory Board (PHAB) and was formed to research methods other jurisdictions have used to develop comprehensive healthcare delivery systems for the uninsured; to address opportunities presented by the our current program: and to consider possible sources of permanent funding. The committee is currently examining various comprehensive healthcare systems used by counties, from across the country, with size and demographic similarities to Leon County. An objective of the sub-committee is to identify means for permanently funding healthcare to the un-insured and under-insured of Leon County by a method which places less reliance upon property tax revenues.

Primary Healthcare Program Performance

Monthly targets of CareNet patients have been established for each clinic and contractual changes appropriate thereto have been made. Funding allocation and distribution are linked to the monthly patient targets for Fiscal Year 03-04 and these monthly targets were met.

The following is data compiled by staff regarding non-emergent hospital emergency department visits:

Non-emergent hospital Emergency Department Visits *October 1, 2003 through September 30, 2004*

| County of Origin | TMH Visits | Percent of Total TMH Visits | CRMC Visits | Percent of Total CRMC Visits |
|------------------|------------|-----------------------------|-------------|------------------------------|
| Leon | 6,301 | 68% | 3,744 | 71% |

| | | | | |
|----------------------|-------|------|-------|------|
| Neighboring Counties | 1,743 | 19% | 1,174 | 22% |
| South Georgia | 62 | 1% | 45 | 1% |
| Other/Unidentified | 1,052 | 12% | 299 | 6% |
| Total | 9,158 | 100% | 5,262 | 100% |

Conclusion: 31% of Non-emergent Hospital Emergency Department Visits at TMH are from outside Leon County and 29% of Non-emergent Hospital Emergency Department Visits at CRMC are from outside Leon County.

**TMH Non-emergent Hospital Emergency Department
Comparison FY 2001/02 to FY 2002/03**

| County of Origin | FY 2002/03 | FY 2003/04 | Percent Change |
|----------------------|------------|------------|----------------|
| Leon | 5,204 | 6,301 | 21% Increase |
| Neighboring Counties | 1,467 | 1,743 | 19% Increase |
| South Georgia | 58 | 62 | .06% Increase |
| Other/Unidentified | 769 | 1,052 | 36.8% Increase |
| Total | 7,498 | 9,158 | 22% Increase |

**CRMC Non-emergent Hospital Emergency Department
Comparison FY 2002/03 to FY 2003/04**

| County of Origin | FY 2002/03 | FY 2003/04 | Percent Change |
|----------------------|------------|------------|----------------|
| Leon | 3,023 | 3,744 | 24% Increase |
| Neighboring Counties | 1,417 | 1,182 | 17% Increase |
| South Georgia | 12 | 46 | 280% Increase |
| Other/Unidentified | 437 | 290 | 33% Reduction |
| Total | 4,889 | 5,262 | 22% Increase |

Both, Tallahassee Memorial Hospital and Capital Regional Medical Center have shown significant growth in Hospital Emergency Room Visits for FY 03-04 as compared to FY 02-03 comparative data from Leon County, Neighboring Counties and South Georgia.

The Agency for Health Care Administration (AHCA) has estimated that the number of uninsured in Leon County for 2004 increased by 15.4% since 1999. Extending the 2001 targeting methodology to the AHCA's 2004 estimate, the Primary Healthcare Program's 2004 target population is 6,300, an increase of over 40%.

The Primary Healthcare Program has experienced a consistent pattern of growth at its primary care clinics within 03-04 FY of operation. A total of 7,188 CareNet patients were provided

primary and specialty care during this period, representing attainment of one hundred-sixty percent (160%) of the targeted number of patients.

Patient Volume for FY 03 - 04

| New CareNet Patients | Number | PerCent |
|---|--------|---------|
| Targeted Number of New CareNet Patients | 4,500 | 100% |
| Primary Care Services Only | 6,564 | 145.86% |
| Specialty Care Services Only | 624 | 13.86% |

The clinics collected \$37,399.92 of Sliding Fee Scale Revenues on new CareNet patients. A total of 53,345 prescriptions were filled by pharmacies.

Cost of Primary Healthcare Program

| Facility | Cost | New CareNet Patients | Cost Per Patient Per Fiscal Year 03-04 |
|-----------------|-----------------------|----------------------|--|
| Bond CHC | \$468,600.04 | 5,159 | \$90.83 |
| Neighborhood HS | \$494,780.04 | 1,405 | \$352.15 |
| We Care Network | \$90,042.96 | 624 | \$144.29 |
| Total | \$1,053,423.04 | 7,188 | \$146.55 |

Total patient care cost of the program for the fiscal year was \$1,053,424.04 or \$146.55 per patient. As a point of comparison, the County cost for FY 01-02 for the Primary Healthcare program averaged \$250.31 per patient per year.

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Leveraged Resources

CareNet is committed to leveraging resources to the fullest extent possible. In that endeavor, CareNet and the Primary Healthcare program benefit significantly from in-kind and volunteer contributions.

| Donor | Value |
|---|-----------------------|
| Florida A & M University | \$294,465 |
| Florida State University School of Medicine | \$76,875 |
| Capital Medical Society Foundation | \$507,390.90 |
| Capital Regional Medical Center, Inc. and Tallahassee Memorial HealthCare, Inc. | \$1,557,070.60 |
| Quest Diagnostics, Inc. | \$656,000 |
| Medical Services-Volunteer | \$574,493.09 |
| Administrative Services-Volunteer | \$5,989.75 |
| Fixed Assets-Donation | \$5,000 |
| Total | \$2,084,043.80 |

Community Benefit

All citizens of Leon County pay for healthcare services for low-income and uninsured citizens through direct and indirect expense. At times these expenses are evident in higher hospital and insurance cost. At other times the expenses are evident in higher cost of social programs. The table below demonstrates the more evident value of the Leon County Primary Healthcare program. Values presented are net of cost and represent savings or avoided expense.

| Function | Number | Value |
|-------------------------------------|--------|----------------|
| Prescriptions filled | 53,345 | \$2,278,898.40 |
| Emergency Department Visits Avoided | 1641 | \$540,053.10 |

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|---|-----|-----------------------|
| Hospital Admissions Avoided | 359 | \$2,166,394.44 |
| Value of Volunteered Services and In-kind contributions | | \$2,084,043.80 |
| Value of New Money to County | | \$661,323 |
| Total Community Benefit to County | | \$7,609,578.52 |
| Primary Healthcare Program Expense | | \$1,053,802.84 |
| Return on Investment | | 7.22 to 1 |

The Leon County Primary Healthcare Program continues to be a viable program of great value to the County.